

MEMORANDUM
DEPARTMENT OF NATURAL RESOURCES

State of Alaska
DIVISION OF FORESTRY
Southern Southeast Area Office

TO: Reviewers
~~2009~~

DATE: January 29, 2009~~January 23,~~

FILE: FYSTS 2009
PHONE: 907-225-3070

FROM: Clarence Clark
Area Forester

SUBJECT: Draft FYSTS

Schedule of Timber Sales (CY 2009-2013)

Enclosed is the public and agency review draft of the Coastal Region's Southern Southeast Area Five-Year Schedule of Timber Sales for the period of January 1, 2009 through December 31, 2013. Please review and submit your comments to me no later than March 3, 2009.

Comments should be sent to:

Area Forester
Southern Southeast Area
Division of Forestry
Alaska Department of Natural Resources
2417 Tongass Ave., Suite 213
Ketchikan, AK 99901

cc:



**DIVISION OF FORESTRY
COASTAL REGION
SOUTHERN SOUTHEAST AREA**

***FIVE-YEAR SCHEDULE*
OF
TIMBER SALES**

CALENDAR YEARS 2009 THROUGH 2013

Purpose of the Five-Year Schedule of Timber Sales

The Five-Year Schedule of Timber Sales (FYSTS) identifies areas where the Alaska Department of Natural Resources (DNR), Division of Forestry (DOF), Southern South East (SSE) Area is considering pursuing timber sale planning. The five-year schedule is meant to inform the public, timber industry, local governments, and other agencies of potential State timber sales. The five-year schedule provides a basis for comment by the public and other governmental organizations. The schedule is not developed as a decision document for particular timber sales.

This Five-Year Schedule of Timber Sales meets the statutory requirements of AS 38.05.113 and acts as a basis for allocating departmental resources in considering, designing and conducting timber sales. For planning purposes and consideration of the operating season, the volume and harvest information included in this document are based on the calendar year, 2008. This document does not represent harvest levels proposed by the University of Alaska or the Alaska Mental Health Land Trust (AMHLT). Their respective offices manage the University of Alaska and Mental Health Trust lands.

This FYSTS provides information to the public concerning development and use of the State's forest resources in Southern Southeast Alaska for the period January 1, 2009–December 31, 2013 (portions of State's fiscal years 2008-2014). The Southern Southeast Area encompasses lands from Frederick Sound south to Dixon Entrance and Portland Inlet.

Salvage sales, emergency sales, sales of 160 acres or less, negotiated sales less than 500 thousand board feet (MBF), and personal use permits are exempt from the FYSTS requirements. All other timber sales must be included in one of the two five-year schedules preceding the sale. To give the public a responsible representation of DNR activities, the five-year schedule will also include, whenever practical:

1. All sales less than 160 acres that require a Forest Land Use Plan (FLUP).
2. Salvage sales and areas of contiguous small sale activity on at least one FYSTS preceding the sale unless waiting on the schedule will:
 - a. cause substantial losses of economic value on salvage sales under AS 38.05.117, or,
 - b. for sales less than 160 acres, preclude a local economic enterprise or forest management project that is in the State's best interest.

The SSE Area Office of the DOF bases the Five-Year Schedule of Timber Sales on lands that are available for timber harvest, as identified in the area plans. Area plans are long range planning documents prepared by the DNR to determine the acceptable different uses of State
DOF Southern Southeast Area
FYSTS 2009-2013

land in regional areas such as Prince of Wales Island and Central/Southern Southeast. The areas targeted for timber harvest and development are quantified in this FYSTS based on aerial photo inventory. This is augmented by limited ground reconnaissance and historical knowledge accumulated by personnel working in the area. To meet the State mandate of sustained yield according to AS 38.04.910, the DOF has taken a conservative approach to developing the annual allowable cut. The DOF manages this cut on a decadal basis and will not exceed its allowable annual cut as averaged on a ten-year basis.

All State timber sales must comply with the Alaska Forest Resources and Practices Act and Regulations; the Alaska Coastal Management Program Act and Regulations; and the Alaska Land Act and Regulations. Further, all State timber sales must adhere to area wide land management policies for each management unit (Chapters 2 & 3) of the Prince of Wales Area Plan or the Central/Southern Southeast Area Plan.

After adopting the FYSTS, the DOF will do more detailed fieldwork to assess and design proposed sales. Before any commercial timber sale of ten acres or larger is offered, the DOF will prepare a Forest Land Use Plan (FLUP) to determine whether or not the sale is in the State's best interest. The FLUP gives site-specific information for each sale describing the location, estimated timber volume, harvest methods, reforestation plan, access, and other potential uses of the sale area. Other State agencies and the public have the opportunity to review and comment on every FLUP. Any concerns or mitigation needs that arise during the FLUP review period will be addressed by the DOF before the sale proceeds any further. The DOF will also develop a FLUP for any known area of contiguous small sales. DOF defines a small sale as a timber sale of less than 10 acres.

Timber Sale Land Base

The State land base in Southern Southeast Alaska includes the major islands of Mitkof, Kupreanof, Kuiu, Etolin, Wrangell, Prince of Wales, and Revillagigedo, and the surrounding smaller islands south of Fredrick Sound. In addition, the land base includes the mainland from Thomas Bay to Hyder. The dominant public landowner in the area is the United States Forest Service (USFS). The dominant private landowners are the native village corporations and the regional native corporation, Sealaska Corporation.

Management Intent of the DOF Timber Sale Program

The DOF management intent for Southern Southeast is to provide raw material for the local timber industry while maintaining the sustained yield of renewable resources. The intent of the timber sale program is to help support the wood product businesses in Alaska's southeastern communities. At the present time, most negotiated State timber sales in Southern Southeast Alaska require 100% primary manufacture in the State, with emphasis on producing value-added and high value-added products. The percentage of required in-state manufacturing may vary in the future by timber sale. Resource protection, road construction costs, transportation

costs, sale location, sale size, timber species and the world economy are all influences that affect the ability of a timber sale purchaser to process timber locally. The State will pursue processing as much of the timber locally as possible while maintaining a focus on delivering economically operable timber sales to local manufactories.

The timber industry in the past has been dependent on the USFS land base for a timber supply, but uncertainties involving the Tongass Land Management Plan over the last decade have made the fiber supply to the local mills erratic. This has not been conducive to maintaining a stable industry or providing wood for domestic products that are needed for community maintenance and growth. The State's land base cannot solely support the timber industry in its present form. However, it is DOF's intent to try and fill timber supply gaps when possible. State timber sales will be targeted to offer opportunity to as many local processors as possible.

Small Timber Sales

The DOF may negotiate small timber sales (AS 38.05.115) and must comply with regulations for these small sales as established in 11 AAC 71.045. Small mills have expressed an interest in small sales because they fit their mill capacity needs and are within their economic range. The Southern Southeast Area DOF will layout small sales as ground conditions and sale economics allow. The DOF will strive to accommodate as many operational small mills as possible while staying within our manpower and budget constraints.

Timber Harvest Methodology

The majority of the timber harvest in the region will be by the clear cut method. Given the patchwork of varying land uses allowed on State land by the area plans, the DOF feels that clear cutting is an effective and safe silvicultural tool to use. The majority of the proposed timber sales in the FYSTS are less than 160 acres in area. Where the State timber sales have the potential to impact an area due to their size, location, or accumulated effect, they will be mitigated and managed through the FLUP process. Where economically practical with respect to a perceived need for specific species of timber, a selective harvest will be considered if the potential future value of the stand will not be degraded by this action.

The DOF is required to manage its' timber harvest on a sustained yield basis. "Sustained Yield" means the "achievement and maintenance in perpetuity of an annual or regular periodic output of the various renewable resources of the State land consistent with multiple use" (AS 38.04.910).

The DOF's policy is to define "regular periodic output" as output over a ten-year period. Based on proposed sales and 1998-2008 harvest data, sales through 2008 were within the "sustained yield" management objective. In most cases the total yearly volumes listed in this FYSTS exceed the allowable cut on a yearly basis. This is done for planning purposes and to allow leeway within the DOF's timber sales program in meeting possible market fluctuations.

The allowable cut calculation method that best utilizes existing information is the area regulation method. The area regulation method involves determining the net-forested acres available for harvest and dividing that number by the rotation period. The rotation period is the time it takes to grow a commercial stand of trees. A 100-year rotation has been the established standard for Southeast and will be used by the DOF. This rotation age could be adjusted in the future when more scientific information is available. Initial studies indicate that a rotation age as low as 70 – 80 years may be feasible on managed lands in Southern Southeast Alaska.

The Area Plans are the governing source for gross available acreage. The estimated total forestland administered by the DNR in the Southern Southeast Area is 156,708 acres. The DNR has accounted for a variety of other uses for forest lands including, but not limited to, recreation and fish and wildlife habitat. The DOF has estimated that out of this total acreage, 49,333 net acres can be considered for harvest. Net acreage was estimated from aerial photograph analysis and augmented by limited ground reconnaissance and historical knowledge accumulated by personnel working in the area. Net acreage was derived after reductions for 100 foot no harvest buffers along known anadromous and high-value resident fish water bodies, exclusion zones from the area plans, and known eagle nesting areas. The DOF will continue to adjust and refine the allowable net acreage, based on fieldwork, manpower availability, and travel funds. When the total allowable harvest acreage (49,333 acres) is divided by the 100-year rotation period, an annual allowable cut of 493 acres is derived. Based on DOF experience with the land and timber base, an average volume of 26 MBF per acre was applied, yielding an allowable cut of 12,818 MBF (12.818 MMBF) per year.

Narrative Summary of Five-Year Schedule Activities

Right-of-way sales, blowdown sales and sales less than ten acres in size are not generally located on the maps for this FYSTS. In many cases the location of these sales will depend on road construction within or adjacent to state lands, State subdivisions, timber sales in subdivisions, other local harvest activity, and any changes in the State land status.

The majority of the projected sales will occur on Prince of Wales Island. This schedule includes sale area maps for all potential sales over 10 acres in size for CY 2009-CY 2013. Due to a variety of reasons, including budget constraints, lack of personnel, sale program direction and market uncertainties, most of the sales in the last three years of this schedule are conceptual at this time. Photo layout and ground reconnaissance will begin as time and budgets allow. Annual volumes for this Five-Year Schedule are higher than the annual allowable cut for planning purposes to allow leeway in DOF timber sales programs to meet possible market fluctuation. Under no condition will the annual allowable cut be exceeded over a ten year period.

2009 Calendar Year

Small Sales

These small sales will be located throughout Southern Southeast Alaska. The DOF estimates it can prepare 5 to 10 of these sales totaling approximately 1,000 MBF (1.0 MMBF) of timber for Calendar Year 2009. These sales are intended to provide small operators with timber to continue operating and produce value-added and high value-added products to the benefit of their local communities.

South Thorne Bay #2

Located on the Kasaan Peninsula of Prince of Wales Island, this sale will be an extension of the South Thorne Bay #1 road system. Approximately 110 acres to the south and east of the South Thorne Bay #1 timber sale have been identified for harvest. The goal of this sale will be to offer one sale of approximately 3,000 MBF (3.0 MMBF).

Thorne Bay #3

Located northeast of the city of Thorne Bay on Prince of Wales Island, this sale area is directly south of the Thorne Bay #2 sale that was sold in 2004. Approximately 120 acres of timber containing 3,500 MBF (3.5 MMBF) have been identified for potential harvest. The sale will be accessed from the logging road constructed for the Thorne Bay #2 timber sale.

Indian Creek #2

Located on Prince of Wales Island near of the community of Hollis, the sale area is south of the Harris River and east of Indian Creek. Access to the harvest area will be from the logging road constructed for the Indian Creek Sale. Approximately 8,000 MBF (8.0 MMBF) of timber could be harvested from this area. An additional 2,000 MBF (2.0 MMBF) of timber could be harvested from this area by helicopter. Helicopter units will be limited to only those areas that are designated “General Use” in the Prince of Wales Area Plan and are not accessible by the proposed logging roads. The DOF consulted with the Alaska Department of Fish and Game (ADF&G), Habitat Division, previously the Office of Habitat management and Permitting in CY 2008. Based on field observations by ADFG, DOF established no cut areas along Indian Creek, its tributaries and other water bodies that meet the area plan requirements and ADFG

recommendations. At this time all fish streams have been identified and removed from the potential sale area. An archeological survey of the area was also conducted in CY 2008 and found no historical resources that would be harmed by timber sale activity.

Bostwick #2 Sale

Located on Gravina Island south of the Ketchikan International Airport, the Bostwick #2 sale is comprised of three areas on the east side of Bostwick Creek. This sale is approximately 140 acres with an estimated volume of 4,000 MBF (4.0 MMBF) and estimated road construction of 2.0 miles. The DOF will work with the ADF&G, Habitat Division for bridge placement across Bostwick Creek. Critical habitat as outlined in the Central/Southern Southeast Area Plan will be protected.

2010 Calendar Year

Small Sales

These small sales will be located throughout Southern Southeast Alaska. The DOF estimates it can prepare 5 to 10 of these sales totaling approximately 1,500 MBF (1.5 MMBF) of timber. These sales are intended to provide small operators with timber to continue operating and produce value-added and high value-added products to the benefit of their local communities. The DOF intends to make this quantity and style of sale available for the duration of this planning document (2010-2013).

South Thorne Bay #3

Located on the Kasaan Peninsula of Prince of Wales Island, the South Thorne Bay #3 sale area will be an extension of the two previous South Thorne Bay timber sales. The goal of this sale will be to offer timber volume of approximately 4,000 MBF (4.0 MMBF) with adequate additional road construction to support multiple small timber sales.

Coffman Cove Sales

Multiple areas along the USFS 3030 road south of Coffman Cove, on Prince of Wales Island, have been identified for potential timber harvest. The DOF has started layout of this sale and estimates a sale volume of 3,500 MBF (3.5 MMBF) based on aerial photos. The DOF is working with the ADF&G, Habitat Division, for the identification and protection of anadromous fish streams in these areas. Multiple mid-sized and small sales are planned for this area.

Zarembo Island Sale

The State of Alaska owns approximately 1,679 acres on Zarembo Island to the east and south of St. Johns Harbor containing 1,125 acres of mature forest. Within the state ownership multiple potential harvest areas have been identified totaling approximately 420 acres. The DOF has begun layout of this sale and estimates a total sale volume of between 5,000 MBF (5.0 MMBF) and 6,000 MBF (6.0 MMBF).

2011 Calendar Year

Small Sales

These small sales will be located throughout Southern Southeast Alaska. The DOF estimates it can prepare 5 to 10 of these sales totaling approximately 1,500 MBF (1.5 MMBF) of timber. These sales are intended to provide small operators with timber to continue operating and produce value-added and high value-added products to the benefit of their local communities.

Whale Pass 30 Road Sale

This potential harvest area is north of the Community of Whale Pass on the USFS 30 Road near Exchange Cove, on Prince of Wales Island. This area is expected to produce 2,500 MBF (2.5 MMBF) and will require approximately 1.0 mile of road construction. This is a conceptual sale based on aerial photos. The actual sale unit could be configured differently and may involve the use of both conventional and helicopter harvest methods.

Kitkun Bay Sale

Kitkun Bay is located within Cholmondeley Sound on the south end of Prince of Wales Island. This sale will potentially operate in an area of approximately 280 acres. The DOF proposes helicopter logging the area. The sale will likely be sold as a mixed export and domestically marketed sale to obtain adequate stumpage returns to pay for the cost of helicopter logging. The majority of the wood would be flown to barges located on the north shore of Kitkun Bay. If access to the area can be negotiated with the adjacent land owner (Kootznoowoo) some volume may be harvested conventionally or volumes may be flown to existing or newly constructed roads.

Thorne Bay # 4

Located northeast of the City of Thorne Bay on Prince of Wales Island, this sale area will be an extension of the Thorne Bay #3 Sale road system. The sale will be south of the proposed Thorne Bay #3 timber sale. The goal of this sale will be to offer timber volume of approximately 4,000 MBF (4.0 MMBF) with the possibility of additional road construction to support multiple small timber sales.

Frederick Point Sale(s)

Located on Mitkof Island, southeast of the city of Petersburg, the Frederick Point No. 7 sale is proposed to harvest approximately 500 MBF of timber. Approximately 20 acres will be harvested in one to three sales. If timber sale economics allow, road construction will be coordinated with the Division of Mining, Land and Water (DMLW) to create access to ASLS 83-82.

2012 Calendar Year

Small Sales

These small sales will be located throughout Southern Southeast Alaska. The DOF estimates it can prepare 5 to 10 of these sales totaling approximately 1,500 MBF (1.5 MMBF) of timber. These sales are intended to provide small operators with timber to continue operating and produce value-added and high value-added products to the benefit of their local communities.

South Thorne Bay #4

Located on the Kasaan Peninsula of Prince of Wales Island this sale area will be an extension of the previous South Thorne Bay timber sales road systems. The goal of this sale will be to offer timber volume of approximately 3,000 MBF (3.0 MMBF) with the possibility of additional road construction to support small timber sales.

Whale Pass #1

Five potential sale areas have been identified on state land west of the community of Whale Pass on Prince of Wales Island. The Whale Pass #1 sale is expected to produce approximately 3,000 MBF (3.0 MMBF) and require an estimated 1.8 miles of road construction. This is a conceptual sale area based on aerial photos. The actual sale units could be configured differently and the sale could be sold over a longer period of time.

Camp Cove/Heceta East Sale

The Camp Cove sale is located on Heceta Island. It covers approximately 220 acres and contains an estimated 5,700 MBF (5.7 MMBF) of timber. The sale will be comprised of multiple units and will require the construction of an estimated 2.2 miles of road. The DOF issued a preliminary decision for the Camp Cove portion of this sale in a FLUP published on September 23, 2002. The DOF has delayed the decision process on this sale based on comments and recommendations of the State Historic Preservation Office (SHPO). This sale is presently being operationally reevaluated after SHPO made the DOF aware of USFS documented cultural sites adjacent to the proposed site.

Heceta Second Growth Sale

The Heceta Second Growth Sale involves the commercial harvest of second growth timber on Heceta Island, in the Camp Cove area. The timber sale will utilize existing roads for harvest activities. The USFS has proposed work on a similar type of sale adjacent to State lands and proposals are being put forth to cooperatively work together on the timing of the sales. The sale contains an approximate sale volume of 1,000 MBF (1.0 MMBF). This sale will be dependent on second growth market conditions.

2013 Calendar Year

Small Sales

These small sales will be located throughout Southern Southeast Alaska. The DOF estimates it can prepare 5 to 10 of these sales totaling approximately 1,500 MBF (1.5 MMBF) of timber. These sales are intended to provide small operators with timber to continue operating and produce value-added and high value-added products to the benefit of their local communities.

Kosciusko

Located on state lands surrounding the community of Edna Bay on Kosciusko Island, the Kosciusko Sale consists of approximately seven harvest areas, five of which are second growth. The sale at this date is conceptual, based on aerial photograph interpretation. Approximately 10,000 MBF (10.0 MMBF) of second growth timber and 11,000 MBF (11.0 MMBF) of old growth timber could be harvested from this area for a total harvest of 21,000 MBF (21.0 MMBF). Existing road will be utilized for the second growth harvest with an estimated 1.5 miles of road construction needed for the remainder of the harvest.

Bradfield Canal Sale

Located on the mainland, east of Wrangell Island, the Bradfield Canal Sale will potentially consist of several harvest areas on either side of the Bradfield Canal containing approximately 5,800 MBF (5.8 MMBF) of timber. The steep rugged terrain along with the numerous and large fish streams on the valley floor and the existing hydro power infrastructure all limit the practical accessibility of a significant portion of the State ownership in this area for timber harvest. The sale at this date is conceptual based on aerial photograph interpretation and limited ground reconnaissance. Due to the remoteness of the timber, a significant portion of the sale volume will likely be considered for export.

El Cap Sale

The El Cap sale is located on the north end of Prince of Wales Island. The sale area is estimated to be approximately 164 acres in size and will contain one or two units totaling

roughly 2,000 MBF (2.0 MMBF) and will require the construction of an estimated 1.0 mile of new road.

Southern Southeast Alaska
Five-Year Schedule of Timber Sales
CY 2009-2013

<u>Calendar Year</u>	<u>Timber Sale Name</u>	<u>Estimated Volume (MBF)</u>
2009	Small Sales	1,000
	South Thorne Bay #2	3,000
	Thorne Bay #3	3,500
	Indian Creek #2	10,000
	Bostwick #2	<u>4,000</u>
	Subtotal	21,500
2010	Small Sales	1,500
	South Thorne Bay #3	4,000
	Coffman Cove	3,500
	Zarembo	<u>5,000</u>
	Subtotal	14,000
2011	Small Sales	1,500
	Whale Pass 30 Road Sale	2,500
	Kitkun Bay	3,000
	Thorne Bay # 4	4,000
	Fredrick Pt	<u>500</u>
	Subtotal	11,500
2012	Small Sales	1,500
	South Thorne Bay #4	3,000
	Whale Pass #1	3,000
	Camp Cove/ Heceta East	5,700
	Heceta 2 nd Growth	<u>1,000</u>
		14,200
2013	Small Sales	1,500
	Kosciusko Island	21,000
	Bradfield Canal	5,800
	El Cap	<u>2,000</u>
	Subtotal	30,300
Total		<u>91,500</u>

**Southern Southeast Alaska
Five Year Schedule of Timber Sales
List of Supporting Maps**

Bradfield Canal Area
Coffman Cove Area
El Capitan Area
Gravina Island
Heceta Island Area
Hollis/Indian Creek Area
Kitkun Bay
Kosciusko Island
Mitkof Island
North Thorne Bay Area
South Thorne Bay Area
Whale Pass Area
Zarembo Island